

House Republican Press Release

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Rep. Boucher Votes To Exempt Pension Benefits from State Income Tax



State Rep. Toni Boucher, R-143rd, voted to exempt pensions of Connecticut residents from the state's five percent personal income tax. The legislature's Appropriations Committee gave initial approval to the exemption, but Rep. Boucher said final passage remains uncertain.

Rep. Boucher and other Republican lawmakers have proposed legislation to encourage people to retire in Connecticut by exempting all or part of pension benefits from the state income tax.

"Nearly every other state gives some tax breaks on retirement income," said Rep. Boucher. "Pennsylvania exempts all pension benefits from its income tax. Connecticut taxes all pension income. There ought to be more incentive for people to stay in Connecticut after retirement."

Rep. Boucher added, "This is a wonderful opportunity to give a break to people who have worked all their lives and now want to enjoy their retirement years in Connecticut. The state is facing a massive exodus of baby boomers who are now approaching retirement age, if our tax system does not become more friendly to retirees."

She said, "It is in the state's best interest to have senior citizens stay here, shop here and invest their savings here. Right now, other states such as Florida make it more attractive financially for senior citizens to move there."

Rep. Boucher said "I have been trying to get a proposal such as this through the legislative process. We finally have passed this terrific proposal out of committee. The Democrats will now be in control of the bill's success or failure, since they have the majority votes, as with any other proposals this year in the Democratic controlled House and Senate."

She said she hopes House and Senate majority leaders agree to keep the exemption in the proposed budget and tax package and that it is adopted into law before the session ends on June 8.